

General Steel Wares Limited

AND SUBSIDIARY COMPANIES

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31st, 1929

TO THE SHAREHOLDERS:

The Board of Directors submit herewith a statement of assets and liabilities, together with profit and loss account for the year which ended December 31st, 1929. The profits for the year amounted to \$1,206,200.28.

The foregoing profits have been dealt with as follows:

Interest on bonds	\$554,650.00
Provision for depreciation	315,578.39
Dividends paid on preferred stock	315,000.00
*Surplus for the year	20,971.89
	—————\$1,206,200.28

*This surplus, added to the balance carried forward from the previous year, makes a total in surplus account of \$309,228.43, after providing for all taxes, including income taxes.

As will be observed from the balance sheet, the current position is satisfactory, current assets being about seven times current liabilities.

During the year \$526,743.82 was added to the property accounts, being moneys expended on extensions to properties; this with the previous expenditure totals \$1,499,400.31 expended on Capital Account since organization. This completes the immediate programme. All the plants of the Company are in excellent condition and are operating in an efficient manner.

The business for the year under review expanded in a most satisfactory manner until the early fall months when we experienced a considerable falling off in the sale of our staple lines particularly in Western Canada. As a result thereof the Company has had to carry over a larger inventory than anticipated and consequently the profits for the year have been adversely affected.

The officers and employees of the Company throughout all departments have performed their duties in a loyal and efficient manner, and the thanks of your Board are extended to them.

Your Directors look forward with confidence to the future of your Company.

Submitted on behalf of the Board of Directors.

J. C. NEWMAN,

PRESIDENT

Montreal, February 12th, 1930.

General Steel Wares Limited

AND SUBSIDIARY COMPANIES

STATEMENT OF PROFIT AND LOSS AND SURPLUS

FOR THE YEAR ENDING DECEMBER 31st, 1929

Surplus as at January 1st, 1929		\$288,256.54
ADD:		
Profit for the Year Before Deducting Under-noted Charges, but after all taxes, including income taxes	\$1,206,200.28	
LESS:		
Interest on Bonds	\$554,650.00	
Provision for Depreciation	315,578.39	
	870,228.39	335,971.89
DEDUCT:		\$624,228.43
Dividends Paid on Preferred Stock		315,000.00
Surplus as at December 31st, 1929		\$309,228.43

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31st, 1929

ASSETS		LIABILITIES
CURRENT ASSETS:		CURRENT LIABILITIES:
Cash on Hand and in Bank	\$ 62,007.83	Bank Loans (secured Under Sec. 88 of Bank Act)
Accounts Receivable, After Providing for Doubtful Debts	1,990,912.51	\$ 663,662.29
Sundry Debtors	57,160.39	Accounts Payable and Accrued Liabilities
Inventories	6,348,068.24	464,912.43
	\$ 8,458,148.97	Accrued Interest on Bonds and Mortgages
		95,656.56
		\$ 1,224,231.28
INVESTMENTS, MORTGAGES, ETC.	21,100.24	PROPERTY, DEPRECIATION AND CONTINGENCY RESERVES
		4,237,236.09
		BONDS AND MORTGAGES OF SUBSIDIARY COMPANIES
		288,000.00
DEFERRED CHARGES	88,876.37	FIRST MORTGAGE BONDS:
		Authorized, \$25,000,000.00
		Issued and outstanding, Series "A", 6%, Due November 1, 1952
		9,000,000.00
		CAPITAL AND SURPLUS:
		Preferred Stock 7% Cumulative, Authorized \$10,000,000.00
		Issued — 45,000 shares of \$100.00 each
		\$ 4,500,000.00
		Preferred Stock Management — 3 Shares Without Nominal or Par Value, Fully Paid
		75.00
		Common Stock, Represented by 199,997 Shares, without nominal or par value, fully paid
		1,000,060.00
		Surplus
		309,228.43
		5,809,363.43
	\$20,558,830.80	\$20,558,830.80

Approved on behalf of the Board,
 J. C. NEWMAN, }
 F. S. CORRIGAN, } Directors.

AUDITORS' CERTIFICATE

We have examined the books and accounts of General Steel Wares, Limited, and its Subsidiary Companies for the year ending December 31st, 1929, and have obtained all the information and explanations which we required; and we certify that, in our opinion, the above consolidated balance sheet as at December 31st, 1929, is properly drawn up so as to exhibit a true and correct view of the state of the companies' affairs, according to the best of our information and the explanations given to us, and as shown by the books of the companies.

Toronto, February 8th, 1930.

PRICE, WATERHOUSE & COMPANY, }
 P. S. ROSS & SONS, } Joint Auditors.

